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Inventive solutions

Alson TEO

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Citation

TEO, Alson. Inventive solutions. (2018). *Excellence Explored*. 27-29. Research Collection Institute of Service Excellence.

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INVENTIVE SOLUTIONS



Alson Teo of Stamfles International reflects on inventing the iKook and why automation is essential to scale.



Alson Teo is deeply patriotic. It took him 13 years to successfully develop the iKook, the world's first automated poultry cooking device that can cook poultry in different ways. His motivation? A desire to bring Singapore's famed chicken rice around the world — without the risk of compromised quality or chef inconsistencies.

Alson has a colourful, albeit complicated, past. He began his first food company, Stamfles Food Management, in 1997, which specialised in institutional catering. When the company was sued by an international conglomerate, Alson was forced to sell majority shareholding to an international food group, using the money to finance both legal procedures and the development of iKook. The court eventually ruled in favour of Stamfles. Today, Alson's portfolio has expanded to include Roost, a poultry-focused restaurant that exclusively uses the

iKook, and Easy Gourmet, an on-demand home catering service that leverages his institutional catering expertise.

The iKook eventually amounted to an estimated S\$1 million in R&D, single-handedly funded by Alson. He says of the process, "Now that we've succeeded in building the iKook, it's easy to celebrate, but I was once viewed as a troublemaker. The government was perfectly happy to give me money to buy solutions, but there was nothing like what I needed! They told me it was too risky if I wanted to create an entirely new product. What if I failed? What if someone else could do it better? I told them this would be the world's first, but they thought I was siao (crazy). So we funded the invention ourselves. It was very painful, but it wasn't hard. The hardest part was to keep going when nobody believed in our vision."



Alson, tell us about your entrepreneurship journey.

I started my career working for a foreign company, which made me realise that outsiders view Singapore as a very small market. Our team worked wholeheartedly for them, but every time we faced a challenge, the company would want to quit the market. After seven years, I had to take a break because I was so disillusioned.

It wasn't my grand plan to become an entrepreneur. I received a call from someone my former company had unsuccessfully pitched an account with. I referred him to my ex-colleague but the ex-client offered me the contract instead. He said to just try it for a year, so I started Stamfles.

We grew our clientele very quickly and started working with big names like M1 and Hitachi. A few years later, we won a big account with a foreign conglomerate, which eventually resulted in a lawsuit that dragged on for four years. They accused us of things like stealing trade secrets, and they were smart in their approach: they chose not just to go after me but also eight of my colleagues. There were a total of 48 suits worth \$250,000 each. I decided to indemnify all of them, but in order to do that I had to sell my company to another international conglomerate.



To be honest, it's not difficult to make money. It's difficult to be a leader. A leader must stand up and take ownership, and to me, it was one man's life for eight others.

You turned to automation early on. Many years ago, I wanted to expand to China, but I realised I couldn't replicate what we were doing because my business model was totally chef-dependent.

Don't forget: at that time I was also up against big companies, and I saw them entering China but losing money for 10 years — all for market share! I didn't have deep pockets like them or their same brand status. I couldn't compete on the lower end because it's impossible to beat the Chinese pricing. So how could I be different?

With the human inconsistencies of chefs, I realised the only way forward was to use automation to scale the business. We spent 13 years to build the iKook, a machine that is literally a master chef. iKook can control everything from temperature to timing so the texture and flavour is always consistent. It can replace chefs, but of course the chefs don't like to hear that.

Why is consistency so important to you? Because differentiating on food quality is necessary, but the only way to ensure we can do that is to maintain consistency. We are priced in the mid-range but our consistency is always beyond that. That's what service excellence is, right? Meeting and exceeding the basic expectations of your customers.

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Consistency is one way to create customer satisfaction, but to build customer loyalty, you must show your customers you care about them — you must win them over emotionally. For example, it's tough to achieve great flavour for local food without MSG, but we wanted to create meals that we will take home to our families, so we cook everything without MSG — even our soup is made with superior chicken stock boiled from scratch! We show customers we care about the flavours and their health.

You have extensive industry experience. What do you think of our service culture? A few years ago, I opened a restaurant called SOUPerlicious with a few outlets across Singapore. It was very difficult to manage because of all the overhead costs, so I made the painful decision of spending money to close all our stores. Many entrepreneurs are focused on saving face, but I think as a leader, you must think of your people and long-term growth.

The reality is our service industry is lacking because service providers are faced with day-to-day constraints like high rental, high manpower costs, and inability to find staff. As a nation, we are quick to pick up new ideas and adapt to technology, but we're not like Japan. We lack their deep-rooted service culture. People here don't take pride in service. Customers are also not appreciative or thankful of customer service.

In order to improve Singapore's standard of service, we have to first attract the right talent. I don't believe that relaxing the foreign worker quota is the way forward — that will never happen because it will bring about so many social issues. But I do think attracting the right talent comes down to the public sector: until they start channelling energy to change this national image of service, it will always be seen as something you do because you *bo bian* (have no choice). People need to be given an incentive to see the industry as a career choice.

These problems will not be fixed overnight. It will take a long time. I believe the best way to manage these problems is to control as much as possible: keep your physical stores to two or three maximum and channel your expertise online. Customers today want more personalised service, more options, quicker response, and they want service providers to keep in touch with them. Going online allows you to reach out to B2B and B2C customers 24/7 and forgo rental and overhead costs. I think this is an important way forward. ♦